

## Basin Study Work Group (BSWG) Steering Committee Meeting

August 1, 2014, 9:00 am to 12:00 noon

DeArmond Room, Deschutes Services Building, 1300 NW Wall Street, Bend OR 97701

### ATTENDEES

The following people attended the meeting:

Suzanne Butterfield, Swalley Irrigation District  
Leslie Clark, Central Oregon Irrigation District  
Tom Davis, Native Reintroduction Network  
Dave Dunahay, Central Oregon Flyfishers  
Chris Gannon, Crooked River Watershed Council  
Nancy Gilbert, US Fish and Wildlife Services  
Kyle Gorman, OR Water Resources Department  
Jason Gritzner, Deschutes National Forest  
Tod Heisler, Deschutes River Conservancy  
Brett Hodgson, OR Dept. of Fish and Wildlife  
Bill Hopp, Tumalo Irrigation District  
Craig Horrell, Central Oregon Irrigation District

Ryan Houston, Upper Deschutes Watershed Council  
Mike Kasberger, Ochoco Irrigation District  
Clair Kunkel, Native Reintroduction Network  
Mark Reinecke, Avion Water  
Ken Rieck, Tumalo Irrigation District  
Betty Roppe, City of Prineville  
Pamela Thalacker, Three Sisters Irrigation District  
Mike Tripp, Trout Unlimited  
Alan Unger, Deschutes County Commissioner  
Jeff Wieland, Upper Deschutes River Coalition

In addition, Mary Orton, The Mary Orton Company, LLC, attended as facilitator; Kate Fitzpatrick, Deschutes River Conservancy, attended as Process Co-Coordinator; and Anna Pakenham, DRC Intern, took notes.

### AGENDA

The group used the following agenda as a guide during their meeting:

1. Welcome
2. Self-introductions
3. Review and approval of minutes from May 27
4. Celebration: BSWG was granted a Reclamation Basin Study
5. Report from DBBC on the pause
6. Communications with OWRD and Reclamation regarding grants
7. BSWG collaboration and goals
8. Charter
9. Next steps
10. Meeting evaluation
11. Adjourn

### CELEBRATION

Suzanne led the group in a celebration of the Basin Study award from the Bureau of Reclamation.

### ANNOUNCEMENTS

Doug announced that Dawn Weidmeier is now area manager for Bureau of Reclamation.

Suzanne reflected on her trip to Moldova. USAID is managing \$230 million in aid for road construction and irrigation, and invited her to speak with other women about how to run an irrigation district. She was grateful for the Deschutes process and the group's ability to speak freely. Adam clarified that he is not currently operating as the Technical Co-Coordinator because there is no funding for that position. He is participating with the Steering Committee and the Planning Team on behalf of the City of Bend.

## REVIEW AND APPROVAL OF MAY 27 MINUTES

The group approved the minutes by consensus with no additions or changes.

## THE PAUSE

Suzanne thanked the group for allowing a pause in the process. She reported that the DBBC had accomplished a great deal during that time, which they could not have done without the pause.

## COMMUNICATIONS WITH OWRD AND RECLAMATION

Suzanne announced that Mike Relf would be the BSWG's study manager from the Bureau of Reclamation. Mike will start the assignment August 7.

Suzanne reported on the development of the contract between OWRD and the DBBC for the Basin Study matching funds. She was working with Salem Opeifa, the OWRD contract specialist. Both Steve Shropshire, lawyer for DBBC, and Mary had reviewed the agreement and provided comments. She noted that the draft contract and their comments were distributed at this meeting. Salem thinks a final grant agreement will be available in a few weeks. Suzanne explained there would be an advance of funds for initial expenses, and from then on expenses would be reimbursed. Initial expenses include Eileen Eakins' firm for advice on the public procurement process, insurance for DBBC, and an auditor. Every BSWG meeting will include a financial report to report on how money has been spent.

There were questions from the group about how money will be allocated in the Basin Study. While there was a draft budget in the proposal that was approved by the group, in September the group will start putting together the Plan of Study including a budget. The Steering Committee will define the Plan of Study with exception of a federal requirement to include study of climate change impacts.

Suzanne requested any suggestions for changes to the agreements to be sent to her as soon as possible.

## BSWG COLLABORATION AND GOALS

Mary reviewed the memorandum on collaborative, relationships, and goals that she had developed with input from the Planning Team. She noted that collaborative groups often spend time early in the process educating themselves about the issues and about each other. This group by necessity was working on substantive issues from the beginning in order to complete the Letter of Interest and Proposal on deadline. She said that spending time on collaboration and relationships would pay off in the long run and could help the group avoid losing momentum.

She said that during the Pause (and even before), she was hearing from certain individuals and groups that they had concerns about the intentions of other stakeholder groups. She said she thought it was time for the Steering Committee members to start having those conversations with each other.

She said she put together the memorandum (see Attachment) as an invitation to begin a conversation. She said there were a lot of concerns, assumptions, and guessing about others and this might be an opportunity to check out assumptions and directly ask questions about what others think. She encouraged everyone to ask questions, really listen, and try to see things from the other's point of view.

## Interests and Concerns

Mary invited each group to review how their interests and concerns were described in the memorandum and suggest any changes. Then, other stakeholders were invited to ask questions and react.

### DBBC

- Pamela: I am fine with what was written. I was disappointed when someone in the group edited the draft press release to remove the word “remarkable” describing the progress that has been made. I am in awe of the amazing conservation work that has been done by the districts. I now agree with point 2 (“DBBC members believe that instream flow advocates want the irrigation districts’ water rights and don’t care about the districts’ survival or whether they or their patrons thrive.”)
- Craig: I am not worried about targets changing because it is only a study.
- Leslie: COI has been working hard on conservation and ways to minimize waste.
- Suzanne: Instead of “DBBC members want to participate in the two instream flow Subgroups so they can have a better understanding of, and be able to **influence**, the outcomes of that work,” it should read, “want to participate in the two instream flow Subgroups so they can have a better understanding of, and be able to **contribute to and collaborate on**, the outcomes of that work.”
- Pam: We know what our differences are; we should go to these meetings to find areas of agreement.
- Suzanne: I agree that we “care about the economic viability of the patrons and the districts, and maintaining the history and way of life of their patrons;” **and** still we want to work with our landowners and patrons to improve efficiencies.
- Craig: We are taking steps for efficiencies and water conservation; we are not trying to keep things the way it has always been; we are being proactive. This is change for everyone. We have to help our patrons understand what conservation is. We are working as hard as we can towards it. It is still a work in progress.
- Betty: If we feel there is another use for water (e.g., municipal), it doesn’t mean that we don’t care about the environment; we would like the other environmentalists to realize that we care about the environment as well.
- Mike Kasberger: Our first piping project began in 1972 and we do not get credit for it.
- Bill: What stops us is the lack of grant money for piping and putting water instream. Irrigators cannot fully shoulder the full financial burden.
- Alan: I agree with and want to emphasize the fiscal challenges for districts.
- Pamela and other irrigation districts representatives: There is tremendous amount of debt within the district for piping, fish ladders, and increased safety within the districts. We appreciate the outside help as well.

Mary asked other stakeholders if they had any questions or reactions, and whether they could support the irrigation districts with their goals.

- Tod: We are at the table because of all of the progress of last decades. My questions are, can we work together to reach everyone’s goals? What is the next level that we are all willing to go to?
- Tom: Solutions are found with collaboration, agreements, and money. If we have collaboration, we can leverage it to get funding. This group has shown a lot of progress and needs to celebrate.
- Jeff: This is only going to work if, by virtue of the process, the irrigation districts are better off than they are now. I am committed to ensuring that this works for the irrigation districts, including raising funds and educating constituents.

- Clair: A number of efforts have failed in the past, and this one needs to succeed. We need to understand each other's needs and have a systematic way to understand where water will go once it is conserved. There is a huge way to go in terms of instream demands.
- Nancy: The memorandum points out that there are some of the same concerns on all sides. We should write down all of the commonalities and goals and find ways that work for everyone, while focusing on the tremendous progress and resources. The Basin Study positions us to accomplish all that we want to accomplish.

### Instream Flow Advocates

Instream flow advocates reacted to their interests and concerns are presented in the memorandum.

- Ryan: The comments do not reflect the diversity of instream interests. DBCC members do care about instream needs. I trust the process. Regarding the fourth point, there has been some concern about pause; however, the pause was agreed to by the full Steering Committee. I understand that BSWG and HCP are very different processes: BSWG is a collaborative process and the HCP is not.
- Nancy: The Fish and Wildlife Service national guidance encourages HCPs to be a collaborative process and as inclusive as possible.
- Ryan: The terminology is important here. The HCP process is highly consultative but I don't think it could truly be called collaborative.
- Nancy: The HCP started out as a collaborative process. The perception is that once that process got to critical point, the irrigation districts needed a pause, and others felt they were left in the dark. There is some fear about that.
- Tod: I generally agree with Ryan, however, we cannot pretend that HCP and BSWG are not related. They both relate to flow and habitat, and therefore cannot be completely separate. There is a trust gap on that point.
- Mike Tripp: I agree with Ryan that everyone needs to be truly collaborative. We need to keep looking for win-win opportunities. I'm surprised we are still talking about collaboratives.
- Brett Hodgson: The only way for this process will work if we recognize and respect each other's goals. ODFW is in a budget crisis, and our staff is being spread thinner and thinner. We need to serve hunters and anglers, and therefore we need an output that includes increased flows. If not, ODFW cannot put resources into this process.
- Kimberley: We need to have instream flow be a part of the equation for us to be a part of the conversation. The group needs to address all three legs of the stool.
- Clair: The HCP and BSWG need to be compatible. There is a huge economic potential and benefit for increasing flows.

Other stakeholders reacted to the memorandum and the instream flow advocates' comments.

- Suzanne: All three legs are important; the instream flow issues will not fall off map. The HCP and BSWG will eventually come together.
- Mike Kasberger: Regarding the discussion on the HCP and BSWG, there is also the Crooked Legislation. If we don't get the legislation passed, the suite of tools will be diminished.
- Kyle: Everyone needs to have patience and acknowledge the change that has occurred over the last decade. HCP and the BSWG will be complementary. Let's celebrate the accomplishments and agreements and build from there.
- Betty: I agree that instream flow concerns must be included in this process. There are two public meetings on the HCP coming up and everyone should attend.

- Leslie: Regarding the pause, the managers are representing their boards of directors, which are comprised of agricultural patrons. We needed time to educate them; we were not trying to go around anyone.
- Craig: We needed the opportunity to make our people comfortable.

### Municipalities

Municipal representatives reacted to their interests and concerns are presented in the memorandum.

- Adam, Betty, and Mark: The language is pretty close to what we were thinking.
- Adam: Reliable groundwater will require mitigation, but the program is inefficient, lumpy, and expensive. It is a tough way to plan future water supply. That is what we mean by the “efficient and reliable” bullet. This is a big interest of ours in terms of mitigation credits.
- Betty: Along with everything else, I am concerned about the impact of climate change.

### **Commitment to Collaboration**

Mary noted that the Planning Team strongly felt that people are participating in the BSWG process because they need each other to accomplish their goals. She asked if there was consensus that everyone would participate collaboratively; meaning that members would work to get what they need while working to ensure that others also get what they need.

**Consensus with all green cards.**

### **Agreement to Establish Goals**

Mary noted that the Planning Team recommends that the Steering Committee spend time during its September meeting affirming the goals for each stakeholder group that have been articulated, and agreeing to a process to refine the others. She asked if they would agree to develop and work toward a set of shared goals. There was no objection from the Steering Committee members. Suzanne said that the goals should focus only on the parameters of the Basin Study. Kimberly noted that the Basin Study is very flexible and adaptive.

### **CHARTER**

At the May 27 BSWG Steering Committee meeting, Steering Committee members were asked to submit suggested changes to the Charter and the Planning Team was asked to recommend a Charter based on those comments. The group reviewed the resultant version of the Charter, section by section.

**Action Item:** During discussion of the Charter, Kate and Kyle agreed to work together to notify other water companies and districts about the process and invite questions.

**Action Item:** There was a disagreement about Steering Committee members contacting Reclamation, and the group agreed to discuss it further during its September meeting.

**Action Item:** The group agreed that Mary would incorporate the changes from today’s meeting, and the final draft would be sent out to group for consideration of approval at the next meeting.

Mary suggested that once the Charter is complete, all Steering Committee members and alternates should be invited to sign it to indicate their intention to abide by its provisions.

### **MEETING EVALUATION**

Members were provided paper on which to write one piece of feedback about what they liked about the meeting, indicated below with a plus symbol (+), and one piece of feedback about what they would like to change for the next meeting, indicated with a delta symbol (Δ). Below are the results of this exercise.

+	Δ
+ Frank discussion on topics.	Δ Is the table big enough? How do we make sure all
+ Collaborative discussion.	groups have one representative at the table before a
+ The “trust” discussion was	group has two?
great.	Δ Only one person per organization can talk, not two.
+ I really liked that we seemed	If you are an alternate that means <u>alternate</u> not <u>also</u> .
to be willing to take on the	Δ Need to finish charter.
“hard” stuff (team-building).	Δ End the meeting on time.
+ Good discussion. Good	Δ End on time. We should have video conference for
agreements.	things like the charter.
+ Facilitation was good.	Δ More time, after not meeting for so long.
+ Mary did a great job soliciting	Δ Kimberley should be in room.
input/ opinions throughout	Δ We missed an incredible opportunity to build trust
the meeting.	when we did not hold individuals accountable for
+ Revised introduction – more	“non-remarkable” comments. No one stood up and
efficient! ☺	said, “I was the one, and I accept responsibility, if
+ Meetings are under four	my comments offended anyone, I want to
hours.	apologize.” (Someone tipped over the apple cart.)
+ (Nothing noted.)	Δ Nothing.

The meeting adjourned.

**Attachment: Memorandum from Mary Orton to BSWG Steering  
Committee Members, July 25, 2014**



The Mary Orton Company  
TRANSFORMING HOW PEOPLE WORK TOGETHER

**To:** BSWG Steering Committee members  
**From:** Mary Orton, Facilitator  
**Date:** July 25, 2014  
**Re:** Collaboration and shared goals for the BSWG

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Recently, since the Pause, some stakeholders have raised issues that have helped me understand that the BSWG Steering Committee would benefit from a discussion on collaboration and shared goals. Some of those issues are as follows. Please know that I have lumped stakeholders together into big groups, and what I am describing will not apply to everyone equally or precisely.

From what I have been told, instream flow advocates:

- ... care about sufficient instream flow for healthy fish and ecosystem processes.
- ... believe that while DBBC members hold almost all the water rights, they do not care very much about fish and ecosystem health.
- ... wonder if the DBBC is truly committed to a collaborative process. Now that DBBC has the two grants, will they truly work to achieve consensus, or will they treat the Basin Study as “their” grant?
- ... feel that the instream flow Subgroups were working together well on a technical basis and then were shut down during the “Pause” for no good reason. They wonder if this is example of DBBC wanting to control the process not wanting to have any instream flow studies in the Basin.
- ... felt they had a commitment to a collaborative process for the Deschutes Basin Habitat Conservation Plan (DBHCP), and believe that now that process is not collaborative. Will the same thing happen to BSWG?

**Is that a fair representation of instream flow advocates’ interests and concerns?**

From what I have been told, DBBC members:

- ... care about the economic viability of the patrons and the districts, and maintaining the history and way of life of their patrons.
- ... believe that instream flow advocates want the irrigation districts’ water rights and don’t care about the districts’ survival or whether they or their patrons thrive.
- ... wonder if the instream flow advocates are truly committed to a collaborative process. They fear that instream flow advocates will sue over the DBHCP and or the BSWG process.
- ... have discomfort with two BSWG instream flow subgroups and the thought of instream flow studies, because they are concerned that the studies will produce a new “number” (flow target) that they will be held to, either in the DBHCP process or in a legal process.



- ... want to participate in the two instream flow Subgroups so they can have a better understanding of, and be able to influence, the outcomes of that work.
- ... believe they have been clear with stakeholders that the DBHCP and the BSWG are separate processes on separate paths, one regulatory and one voluntary, and that they don't intend to blur the lines between them.

### **Is that a fair representation of their interests and concerns?**

From what I have been told, municipalities:

- ... care about having an adequate, reliable, and cost-effective water supply to meet the demands of current and future customers.
- ... care about the sustainability of the Deschutes River and its tributaries so that Central Oregon continues to be an attractive place to work, live, and visit.
- ... want to be part of a process in which their needs and interests are taken seriously and addressed.
- ... want continued assurance from the instream flow advocates and DBBC that they are committed to furthering municipalities' goals along with their own.
- ... believe that projects or suites of projects can be developed that provide benefits to multiple stakeholder groups.

### **Is that a fair representation of their interests and concerns?**

The G7<sup>1</sup> has discussed these issues. They feel strongly that the parties are at the BSWG table because they cannot get what they need without the others. I have heard this from other stakeholders, as well: that you are all in the same boat and you need to work with the other stakeholders, because, to meet your needs

- ... municipalities and instream flow advocates need the water to which the irrigation districts have the rights.
- ... irrigation districts and municipalities need the support of instream flow advocates to avoid legal or regulatory processes that might entail them losing more than they might voluntarily agree to.
- ... all three groups would benefit from good relationships with the other two so that as times and circumstances change, any agreement that works for the parties can be amended so it continues to work for them.

### **Is this true?**

If this is true, then you have the basis for a collaborative process: one in which each party commits to helping achieve ALL parties' goals because that is the only way any party can get what they need.

The next question is, what exactly are all the parties' goals? From what I understand from the G7, before I started working with you, through the Deschutes Water Planning Initiative (DWPI), with Dave Newton, each irrigation district developed its individual goals, which have been widely shared. BSWG agreed that instream flow goals and the municipalities' goals were to be refined during the

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<sup>1</sup> G7 is the BSWG planning team. Those present for all or part of this discussion were Mike Britton, Kate Fitzpatrick, Tod Heisler, Adam Sussman, and me.

Basin Study process.<sup>2</sup> At your September meeting, the G7 recommends that you spend some time affirming the goals that are completed and agreeing to a process to refine the others.

Please take another look at the questions I have highlighted in bold font, above. I encourage each of the three “legs of the stool” – instream flow advocates, irrigation districts, and municipalities – to talk among yourselves before August 1, and have some idea of how you might answer these questions for your group. You will have the opportunity to share your thoughts at your next BSWG meeting.

I’m looking forward to your discussion on August 1.

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<sup>2</sup> The consensus proposal submitted to Reclamation for the Basin Study says, on page 6, “The DWA groundwater demand projection reflects the amount of water available under the Deschutes Basin Groundwater Mitigation Program cap; this demand needs additional analyses to develop a more refined groundwater demand for the basin.” Also on page 6, “Past studies estimated that the Deschutes River and its tributaries require an additional 160,000 AF annually to meet minimum flow targets set by the Oregon Department of Fish and Wildlife (Newton, 2013). However, these studies need to be updated and refined, in some reaches ... and BSWG is proposing that as part of the Basin Study.